FSC Policy on Conversion
Public consultation for first draft

Webinar (14, 20 August, 17 September 2019)
OVERVIEW

1. BACKGROUND INTRODUCTION

2. FIRST DRAFT OF THE FSC POLICY ON CONVERSION

3. INTRODUCTION OF THE PUBLIC CONSULTATION

4. NEXT STEPS

5. OPEN DISCUSSIONS (40 Mins)
OVERVIEW

1. BACKGROUND INTRODUCTION
2. FIRST DRAFT OF THE FSC POLICY ON CONVERSION
3. PUBLIC CONSULTATION
4. NEXT STEPS
5. OPEN DISCUSSIONS (40 Mins)
MOTION HISTORY

Motion 18 from GA 2011

Motion 12 from GA 2014

Motion 7 from GA 2017
MOTION 7

• Developing a high-level conversion policy (based on ideas already generated and discussed in the previous Motion 12 process).
• Considering compensation for past conversion, in terms of:
  o restoration and/or conservation for environmental values; and
  o restitution for socio-economic values.
• Including the issue of non-forest ecosystems conversion (wetlands, peatlands, savannahs or natural grasslands).
• Aligning the diverse ways in which conversion is treated in different parts of the FSC normative framework.
1. 1994 cut-off date: To retain, remove or change the rules to address past conversion.

2. Principles for compensation on past conversion, in terms of:
   a) restoration and/or conservation of environmental values
   b) restitution of socio-economic values

3. Concept of acceptable conversion as defined under current FSC rules.
1. Criteria, indicators and thresholds for conversion across the normative framework, including Policy for Association, Principles and Criteria, International Generic Indicators (IGI), Controlled Wood Standards and others as needed, and related definitions.

2. Instructions for Standard Developers to address any revised IGIs on conversion in National Forest Stewardship Standards and Interim National Standards.

3. Develop a compensation procedure and proposals for verification for (Details refer to TWG ToR)

4. Draft text for a possible motion to the 2020 General Assembly to reword FSC Principles & Criteria and to align the International Generic Indicators (IGIs), National Forest Stewardship Standards, Policy for Association and Controlled Wood standards with the Policy on Conversion.
# A CHAMBER-BALANCED WORKING GROUP

## M7 WORKING GROUP MEMBERS

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
<th>Chamber</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marthe Tollenaar</td>
<td>New Forests</td>
<td>ECON-N</td>
<td>Singapore/ Asia Pacific</td>
</tr>
<tr>
<td>Francisco Javier Rodriguez Aspillaga</td>
<td>CMPC celulosa</td>
<td>ECON-S</td>
<td>Chile/LATAM</td>
</tr>
<tr>
<td>Annika Terrana</td>
<td>WWF</td>
<td>ENV-N</td>
<td>US</td>
</tr>
<tr>
<td>Michal Zrust</td>
<td>Individual</td>
<td>ENV-S</td>
<td>Indonesia/ Asia Pacific</td>
</tr>
<tr>
<td>Linda Fienberg</td>
<td>Individual</td>
<td>SOC-N</td>
<td>Australia/Asia Pacific</td>
</tr>
<tr>
<td>Verma Dharam Pal Singh</td>
<td>Consultant</td>
<td>SOC-S</td>
<td>India/ Asia Pacific</td>
</tr>
</tbody>
</table>
OVERVIEW

1. BACKGROUND INTRODUCTION
2. FIRST DRAFT OF THE FSC POLICY ON CONVERSION
3. PUBLIC CONSULTATION
4. NEXT STEPS
5. OPEN DISCUSSIONS (40 Mins)
**AUGUST 2018**
Composition of the Working Group was announced

**OCTOBER 2018**

**JUNE 2019**
ToR for Working Group approved by the Steering Committee

**OCTOBER 2018**
21 WG calls
3 face to face meetings
Consultative forum
Policy drafts 0-0 to 0-14

**JULY 2019**
First draft of the FSC Policy on Conversion finalized:
FSC-POL-01-007 V1-0 D1-0

**SEPTEMBER 2019**
1st Public consultation
AIMS OF THE POLICY

1. POSITION
   Clarify FSC’s position on conversion

2. CAPACITY
   Enhance FSC’s capacity to support global commitments to conservation of natural ecosystems

3. MECHANISM
   Provide a mechanism for forests which have been previously converted after 1994 to enter the FSC system upon implementation of an approved compensation plan which delivers restoration and restitution outcomes

4. PROMOTE
   Promote further conservation, restoration and restitution
POLICY SCOPE

**DOES APPLY**

a) To organizations which are or would like to be associated with FSC;
b) Where the scope of existing certificates is extended after the effective date of this Policy to include non-forest ecosystems converted prior to the effective date of this Policy;
c) To existing Controlled Wood Forest Management certificates.

**DOES NOT APPLY**

a) To conversion that took place prior to 1994;
b) To non-forest ecosystems within existing, valid FM certificates.
POLICY STRUCTURE

**Principle 1 & 2**
Fundamental principles and based on FSC statutes, normative framework & mission

**Principle 3**
1994 Cut-off date: provide 3 options for supplementing the 1994 cut-off date

**Principle 4**
Conversion threshold: determine Conversion thresholds for natural forest & natural ecosystem

**Principle 5**
Compensation mechanism requirements

**Principle 6**
Monitoring of the implementation of compensation plan

**Principle 7**
Small-scale smallholder: dispensation mechanism

**Principle 8**
FSC Certificate Holders may aggregate compensation requirements

**Principle 9**
Dispute Resolution System will be used for Complaints

**Principle 10**
Grievance cases: compensation mechanism may be used in resolving grievance cases
POLICY STRUCTURE

Principle 1 & 2
Fundamental principles and based on FSC statutes, normative framework & mission

Principle 3
1994 Cut-off date: provide 3 options for supplementing the 1994 rule

Principle 4
Conversion threshold: determine Conversion thresholds for natural forest & natural ecosystem

Principle 5
Compensation mechanism requirements

Principle 6
Monitoring of the implementation of compensation plan

Principle 7
Small-scale smallholder: dispensation mechanism

Principle 8
FSC Certificate Holders may aggregate compensation requirements

Principle 9
Dispute Resolution System will be used for Complaints

Principle 10
Grievance cases: compensation mechanism may be used in resolving grievance cases
POLICY STRUCTURE

**Principle 1 & 2**
Fundamental principles and based on FSC statutes, normative framework & mission

**Principle 3**
1994 Cut-off date: provide 3 options for supplementing the 1994 rule

**Principle 4**
Conversion threshold: determine Conversion thresholds for natural forest & natural ecosystem

**Principle 5**
Compensation mechanism requirements

**Principle 6**
Monitoring of the implementation of compensation plan

**Principle 7**
Small-scale smallholder: dispensation mechanism

**Principle 8**
FSC Certificate Holders may aggregate compensation requirements

**Principle 9**
Dispute Resolution System will be used for Complaints

**Principle 10**
Grievance cases: compensation mechanism may be used in resolving grievance cases
POLICY PROPOSAL – POLICY PRINCIPLE 2

2. FSC requires organizations associating with it to demonstrate that they are not converting natural ecosystems, including natural forests, and ensuring conservation and restoration through compliance with requirements in the FSC normative framework.
**POLICY STRUCTURE**

**Principle 1 & 2**
Fundamental principles and based on FSC statutes, normative framework & mission

**Principle 3**
1994 Cut-off date: provide 3 options for supplementing the 1994 rule

**Principle 4**
Conversion threshold: determine Conversion thresholds for natural forest & natural ecosystem

**Principle 5**
Compensation mechanism requirements

**Principle 6**
Monitoring of the implementation of compensation plan

**Principle 7**
Small-scale smallholder: dispensation mechanism

**Principle 8**
FSC Certificate Holders may aggregate compensation requirements

**Principle 9**
Dispute Resolution System will be used for Complaints

**Principle 10**
Grievance cases: compensation mechanism may be used in resolving grievance cases
This Policy proposes to keep the 1994 cut-off date and supplement it with one of the following 3 options for conversion after 1994.

3. To incentivize and advance the restoration and conservation of natural ecosystems, and restitution of social harm caused by conversion, FSC enables organizations that were *directly or indirectly involved* in conversion that occurred after 1994 to seek association or certification through one of the following 3 Compensation options:

- 1994, Compensation
- 1994, Compensation
- 1994-2020, More stringent Compensation
- 1994-2020, additional cut off date
POLICY STRUCTURE

Principle 1 & 2
Fundamental principles and based on FSC statutes, normative framework & mission

Principle 3
1994 Cut-off date: provide 3 options for supplementing the 1994 rule

Principle 4
Conversion threshold: determine Conversion thresholds for natural forest & natural ecosystem

Principle 5
Compensation mechanism requirements

Principle 6
Monitoring of the implementation of compensation plan

Principle 7
Small-scale smallholder: dispensation mechanism

Principle 8
FSC Certificate Holders may aggregate compensation requirements

Principle 9
Dispute Resolution System will be used for Complaints

Principle 10
Grievance cases: compensation mechanism may be used in resolving grievance cases
POLICY IMPACT ON EXISTING NORMATIVE FRAMEWORK

Intent of the policy is to:
*Align what is considered as tolerable conversion within the FSC system*
**POLICY STRUCTURE**

**Principle 1 & 2**
Fundamental principles and based on FSC statutes, normative framework & mission

**Principle 3**
1994 Cut-off date: provide 3 options for supplementing the 1994 rule

**Principle 4**
Conversion threshold: determine Conversion thresholds for natural forest & natural ecosystem

**Principle 5**
Compensation mechanism requirements

**Principle 6**
Monitoring of the implementation of compensation plan

**Principle 7**
Small-scale smallholder: dispensation mechanism

**Principle 8**
FSC Certificate Holders may aggregate compensation requirements

**Principle 9**
Dispute Resolution System will be used for Complaints

**Principle 10**
Grievance cases: compensation mechanism may be used in resolving grievance cases
5. FSC has a compensation mechanism that delivers conservation and restoration of converted ecosystems and restitution to affected stakeholders*, including rights-holders. This mechanism provides a pathway into FSC for Organizations that have been directly or indirectly involved* in conversion.

**CONVERSION FREE PERIOD**

5.1 There shall be a period, based on Scale, Intensity and Risk, where an Organization has not been directly or indirectly involved* in conversion prior to eligibility for FSC FM certification.

**COMPENSATION PLAN**

5.3 Organizations intending to associate with FSC shall develop a compensation plan that is...

5.4 Prior to association with FSC organisations shall demonstrate implementation of this compensation plan.

6. Implementation of the compensation mechanism and the delivery of the conservation and social outcomes shall be monitored through a standardised auditing process.
OVERVIEW

1. BACKGROUND INTRODUCTION
2. FIRST DRAFT OF THE FSC POLICY ON CONVERSION
3. PUBLIC CONSULTATION
4. NEXT STEPS
5. OPEN DISCUSSIONS (40 Mins)
PUBLIC CONSULTATION STRUCTURE

**Principle 1 & 2, definitions**
Question 0: Generic comment
Question 1: Natural forest & Natural ecosystem

**Principle 3**
Question 2: Cut off date

**Principle 4**
Question 3: Constitution of natural forest and natural ecosystem
Question 4: Alignment

**Principle 5**
Question 5, 6, 7, 8 & 9 on Compensation mechanism

**Principle 6**
Question 9: compensation plan implementation

**Principle 7**
Question 10: smallholder

**Principle 8, 9 & 10**
Generic question 11

**General comment on the draft Policy**
OVERVIEW

1. BACKGROUND INTRODUCTION
2. FIRST DRAFT OF THE FSC POLICY ON CONVERSION
3. PUBLIC CONSULTATION
4. NEXT STEPS
5. OPEN DISCUSSIONS (40 Mins)
Next steps

AUGUST
PUBLIC CONSULTATION
Webinars XX

SEPTEMBER
PUBLIC CONSULTATION
Webinars XX

OCTOBER
WG ONLINE MEETINGS
Analyze Feedbacks

NOVEMBER
4TH IN PERSON MEETING
Develop draft 2-0
OVERVIEW

1. BACKGROUND INTRODUCTION

2. FIRST DRAFT OF THE FSC POLICY ON CONVERSION

3. PUBLIC CONSULTATION

4. NEXT STEPS

5. OPEN DISCUSSIONS (40 Mins)